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9 SCENE 7, INC. LONG TERM DISABILITY PLAN and
10 PRUDENTIAL INSURANCE COMPANY OF AMERICA

11 UNITED STATES DISTRICT COURT
12 NORTHERN DISTRICT OF CALIFORNIA

13 DAWN RUTHERFORD,

14 Plaintiff,

15 v.

16 SCENE 7, INC. LONG TERM DISABILITY
17 PLAN, PRUDENTIAL INSURANCE
18 COMPANY OF AMERICA,

19 Defendants.

CV 07-6426 (WHA)

DECLARATION OF EDITH
EWING IN SUPPORT OF
DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT

Date: July 10, 2008
Time: 8:00 AM.
Dept: 9

[Filed and served concurrently
with Notice of Motion and Motion
for Summary Judgment;
Memorandum of Points and
Authorities; Proposed Order; and,
Proposed Judgment]

21
22 The undersigned, Edith Ewing, being duly sworn, deposes and states as
23 follows:

24 1. My name is Edith Ewing. I am over eighteen (18) years of age and I
25 am fully competent to testify to the matters set forth herein. I made this affidavit
26 based upon my own personal knowledge and the business records of Prudential
27 Insurance Company of America ("Prudential") of which I also have personal
28 knowledge.

EXHIBIT A

GOODHOME, INC.

Long Term Disability Coverage

Prudential  **Financial**

Benefit Highlights

LONG TERM DISABILITY PLAN

This long term disability plan provides financial protection for you by paying a portion of your income while you have a long period of disability. The amount you receive is based on the amount you earned before your disability began. In some cases, you can receive disability payments even if you work while you are disabled. Benefits start after the elimination period.

Program Date: October 1, 1999

Contract Holder: PruValue Insurance Benefits Trust

Group Contract Number: PVIB-03

Employer: GOODHOME, INC.

Employer's Control Number: 76787

Covered Classes: All Employees

Minimum Hours Requirement: Employees must be working at least 30 hours per week.

Employment Waiting Period: You may need to work for your Employer for a continuous period before you become eligible for the plan. The period must be agreed upon by your Employer and Prudential.

Your Employer will let you know about this waiting period.

Elimination Period: The shorter of 90 days and the length of time for which you receive loss of time benefits, salary continuation or accumulated sick leave.

Benefits begin the day after the Elimination Period is completed.

Monthly Benefit: 66.7% of your monthly earnings, but not more than \$7,000.

Your benefit may be reduced by deductible sources of income and disability earnings. Some disabilities may not be covered or may be limited under this coverage.

Maximum Period of Benefits:

Your Age on Date Disability Begins	Your Maximum Benefit Duration
Under age 61	To your normal retirement age*, but not less than 60 months
Age 61	To your normal retirement age*, but not less than 48 months
Age 62	To your normal retirement age*, but not less than 42 months
Age 63	To your normal retirement age*, but not less than 36 months
Age 64	To your normal retirement age*, but not less than 30 months
Age 65	24 months
Age 66	21 months
Age 67	18 months
Age 68	15 months
Age 69 and over	12 months

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***Your normal retirement age is your retirement age under the Social Security Act where retirement age depends on your year of birth.**

No contributions are required for your coverage while you are receiving payments under this plan.

Cost of Coverage: Your Employer may require contributions for the long term disability plan. Your Employer will tell you whether or not any contribution is required and the amount of any required contribution when you enroll.

The above items are only highlights of your coverage. For a full description please read this entire Group Insurance Certificate.

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The Prudential Insurance Company of America

Certificate of Coverage

The Prudential Insurance Company of America (referred to as Prudential) welcomes you to the plan.

This is your Certificate of Coverage as long as you are eligible for coverage and you meet the requirements for becoming insured. You will want to read this certificate and keep it in a safe place.

Prudential has written this certificate in booklet format to be understandable to you. If you should have any questions about the content or provisions, please consult Prudential's claims paying office. Prudential will assist you in any way to help you understand your benefits.

The benefits described in this Certificate of Coverage are subject in every way to the entire Group Contract which includes this Group Insurance Certificate.

Prudential's Address

The Prudential Insurance Company of America
290 West Mount Pleasant Avenue
Livingston, New Jersey 07039

General Provisions

What Is the Certificate?

This certificate is a written document prepared by Prudential which tells you:

- the coverage to which you may be entitled;
- to whom Prudential will make a payment; and
- the limitations, exclusions and requirements that apply within a plan.

General Definitions used throughout this certificate include:

You means a person who is eligible for Prudential coverage.

We, us, and our means The Prudential Insurance Company of America.

Employee means a person who is in active employment with the Employer for the minimum hours requirement.

Insured means any person covered under a coverage.

Plan means a line of coverage under the Group Contract.

When Are You Eligible for Coverage?

If you are working for your Employer in a covered class, the date you are eligible for coverage is the later of:

- the plan's program date; and
- the day after you complete your **employment waiting period**.

Employment waiting period means the continuous period of time that you must be in a covered class before you are eligible for coverage under a plan. The period must be agreed upon by the Employer and Prudential.

When Does Your Coverage Begin?

When your Employer pays the entire cost of your coverage under a plan, you will be covered at 12:01 a.m. on the date you are eligible for coverage, provided you are in **active employment** on that date.

When you and your Employer share the cost of your coverage under a plan, you will be covered at 12:01 a.m. on the latest of:

- the date you are eligible for coverage, if you apply for insurance on or before that date;
- the date you apply for insurance, if you apply within 31 days after your eligibility date; or

- the date Prudential approves your application, if **evidence of insurability** is required.

Evidence of insurability is required if you:

- are a late applicant, which means you apply for coverage more than 31 days after the date you are eligible for coverage; or
- voluntarily canceled your coverage and are reapplying; or
- apply after any of your coverage ended because you did not pay a required contribution; or
- have not met a previous evidence requirement to become insured under any plan the Employer has with Prudential.

An evidence of insurability form can be obtained from your Employer.

Active employment means you are working for your Employer for earnings that are paid regularly and that you are performing the material and substantial duties of your regular occupation. You must be working at least 30 hours per week.

Your worksite must be:

- your Employer's usual place of business;
- an alternate work site at the direction of your Employer other than your home unless clear specific expectations and duties are documented; or
- a location to which your job requires you to travel.

Normal vacation is considered active employment.

Temporary and seasonal workers are excluded from coverage.

Individuals whose employment status is being continued under a severance or termination agreement will not be considered in active employment.

Evidence of insurability means a statement of your medical history which Prudential will use to determine if you are approved for coverage. Evidence of insurability will be provided at your own expense.

What If You Are Absent from Work on the Date Your Coverage Would Normally Begin?

If you are absent from work due to injury, sickness, temporary layoff or leave of absence your coverage will begin on the date you return to active employment.

Once Your Coverage Begins, What Happens If You Are Temporarily Not Working?

If you are on a temporary **layoff**, and if premium is paid, you will be covered to the end of the month following the month in which your temporary layoff begins.

If you are on a *leave of absence*, and if premium is paid, you will be covered to the end of the month following the month in which your leave of absence begins.

With respect to leave under the federal Family and Medical Leave Act of 1993 (FMLA) or similar state law, continuation of coverage under the plan during such leave will be governed by your Employer's policies regarding continuation of such coverage for non-FMLA leave purposes and any applicable law. Continuation of such coverage pursuant to this provision is contingent upon Prudential's timely receipt of premium payments and written confirmation of your FMLA leave by your Employer.

If you are working less than 30 hours per week, for reasons other than disability, and if premium is paid, you will be covered to the end of the month following the month in which your reduced hours begin.

Layoff or leave of absence means you are temporarily absent from active employment for a period of time that has been agreed to in advance in writing by your Employer, other than for reasons in connection with any severance or termination agreement. Your normal vacation time, any period of disability or FMLA leave is not considered a temporary layoff.

When Will Changes to Your Coverage Take Effect?

Once your coverage begins, any increased or additional coverage will take effect immediately upon the effective date of the change, if you are in active employment or if you are on a covered layoff or leave of absence. If you are not in active employment due to injury or sickness, any increased or additional coverage will begin on the date you return to active employment. An increase in your long term disability coverage may be subject to a pre-existing condition limitation as described in the plan. Any decrease in coverage will take effect immediately upon the effective date of the change. Neither an increase nor a decrease in coverage will affect a **payable claim** that occurs prior to the increase or decrease.

Payable claim means a claim for which Prudential is liable under the terms of the Group Contract.

When Does Your Coverage End?

Your coverage under the Group Contract or a plan ends on the earliest of:

- the date the Group Contract or a plan is canceled;
- the date you are no longer a member of the covered classes;
- the date your covered class is no longer covered;
- the last day of the period for which you made any required contributions;
- the last day you are in active employment except as provided under the temporary absence from work provisions; or
- the date you are no longer in active employment due to a disability that is not covered under the plan.

Does the Coverage under a Plan Replace or Affect any Workers' Compensation or State Disability Insurance?

The coverage under a plan does not replace or affect the requirements for coverage by workers' compensation or state disability insurance.

Does Your Employer Act as Prudential's Agent?

For purposes of the Group Contract, your Employer acts on its own behalf. Under no circumstances will your Employer be deemed the agent of Prudential.

Does This Certificate Address Any Rights to Other Benefits or Affect Your Employment with Your Employer?

This certificate sets forth only the terms and conditions for coverage and receipt of benefits for Long Term Disability. It does not address and does not confer any rights, or take away any rights, if any, to other benefits or employment with your Employer. Your rights, if any, to other benefits or employment are solely determined by your Employer. Prudential plays no role in determining, interpreting, or applying any such rights that may or may not exist.

How Can Statements Made in Your Application for this Coverage be Used?

Prudential considers any statements you or your Employer make in a signed application for coverage a representation and not a warranty. If any of the statements you or your Employer make are not complete and/or not true at the time they are made, we can:

- reduce or deny any claim; or
- cancel your coverage from the original effective date.

If a statement is used in a contest, a copy of that statement will be furnished to you or, in the event of your death or incapacity, to your eligible survivor or personal representative.

A statement will not be contested after the amount of insurance has been in force, before the contest, for at least two years during your lifetime.

We will use only statements made in a signed application as a basis for doing this.

If the Employer gives us information about you that is incorrect, we will:

- use the facts to decide whether you have coverage under the plan and in what amounts; and
- make a fair adjustment of the premium.

Long Term Disability Coverage

BENEFIT INFORMATION

How Does Prudential Define Disability?

You are disabled when Prudential determines that:

- you are unable to perform the **material and substantial duties** of your **regular occupation** due to your **sickness** or **injury**; and
- you have a 20% or more loss in your **indexed monthly earnings** due to that **sickness** or **injury**.

After 24 months of payments, you are disabled when Prudential determines that due to the same sickness or injury, you are unable to perform the duties of any **gainful occupation** for which you are reasonably fitted by education, training or experience.

The loss of a professional or occupational license or certification does not, in itself, constitute disability.

We may require you to be examined by doctors, other medical practitioners or vocational experts of our choice. Prudential will pay for these examinations. We can require examinations as often as it is reasonable to do so. We may also require you to be interviewed by an authorized Prudential Representative. Refusal to be examined or interviewed may result in denial or termination of your claim.

Material and substantial duties means duties that:

- are normally required for the performance of your regular occupation; and
- cannot be reasonably omitted or modified, except that if you are required to work on average in excess of 40 hours per week, Prudential will consider you able to perform that requirement if you are working or have the capacity to work 40 hours per week.

Regular occupation means the occupation you are routinely performing when your disability begins. Prudential will look at your occupation as it is normally performed instead of how the work tasks are performed for a specific employer or at a specific location.

Gainful occupation means an occupation, including self employment, that is or can be expected to provide you with an income equal to at least the benefit percent of your indexed monthly earnings within 12 months of your return to work. The benefit percent is shown in the Benefit Highlights.

Sickness means any disorder of your body or mind, but not an injury; pregnancy including abortion, miscarriage or childbirth. Disability must begin while you are covered under the plan.

Injury means a bodily injury that is the direct result of an accident and not related to any other cause. Injury which occurs before you are covered under the plan will be treated as a sickness. Disability must begin while you are covered under the plan.

Indexed monthly earnings means your monthly earnings as adjusted on each July 1 provided you were disabled for all of the 12 months before that date. Your monthly earnings will be adjusted on that date by the lesser of 10% or the current annual percentage increase in the Consumer Price Index. Your indexed monthly earnings may increase or remain the same, but will never decrease.

The Consumer Price Index (CPI-W) is published by the U.S. Department of Labor. Prudential reserves the right to use some other similar measurement if the Department of Labor changes or stops publishing the CPI-W.

Indexing is only used to determine your percentage of lost earnings while you are disabled and working.

How Long Must You Be Disabled Before Your Benefits Begin?

You must be continuously disabled through your **elimination period**. Prudential will treat your disability as continuous if your disability stops for 30 days or less during the elimination period. The days that you are not disabled will not count toward your elimination period.

Your elimination period is described in the Benefit Highlights.

Elimination period means a period of continuous disability which must be satisfied before you are eligible to receive benefits from Prudential.

Can You Satisfy Your Elimination Period If You Are Working?

Yes, provided you meet the definition of disability.

When Will You Begin to Receive Disability Payments?

You will begin to receive payments when we approve your claim, providing the elimination period has been met. We will send you a payment each month for any period for which Prudential is liable.

How Much Will Prudential Pay If You Are Disabled and Not Working?

We will follow this process to figure out your **monthly payment**:

1. Multiply your monthly earnings by the benefit percent shown in the Benefit Highlights.
2. The maximum **monthly benefit** is the amount shown in the Benefit Highlights.
3. Compare the answer in item 1 with the maximum monthly benefit. The lesser of these two amounts is your **gross disability payment**.
4. Subtract from your gross disability payment any **deductible sources of income**.

That amount figured in item 4 is your monthly payment.

After the elimination period, if you are disabled for less than 1 month, we will send you 1/30th of your payment for each day of disability.

Monthly payment means your payment after any deductible sources of income have been subtracted from your gross disability payment.

Monthly benefit means the total benefit amount for which you are insured under this plan subject to the maximum benefit.

Gross disability payment means the benefit amount before Prudential subtracts deductible sources of income and disability earnings.

Deductible sources of income means income from deductible sources listed in the plan that you receive or are entitled to receive while you are disabled. This income will be subtracted from your gross disability payment.

What Are Your Monthly Earnings?

Monthly earnings means your gross monthly income from your Employer in effect just prior to your date of disability. It includes your total income before taxes but does not include commissions made for pre-tax contributions to a qualified deferred compensation plan, Section 125 plan or flexible spending account. Monthly earnings also includes commissions averaged over the 12 month period just prior to your date of disability. It does not include income received from overtime pay, any other extra compensation, or income received from sources other than your Employer.

What Will We Use to Determine Monthly Earnings If You Become Disabled During a Covered Layoff or Leave of Absence?

If you become disabled while you are on a covered layoff or leave of absence, we will use your monthly earnings from your Employer in effect just prior to the date your absence begins.

How Much Will Prudential Pay If You Work While You Are Disabled?

We will send you the monthly payment if you are disabled and your monthly **disability earnings**, if any, are less than 20% of your indexed monthly earnings due to the same sickness or injury.

If you are disabled and your monthly disability earnings are 20% or more of your indexed monthly earnings, due to the same sickness or injury, Prudential will figure your payment as follows:

During the first 12 months of payments, while working, your monthly payment will not be reduced as long as disability earnings plus the gross disability payment does not exceed 100% of indexed monthly earnings.

1. Add your monthly disability earnings to your gross disability payment.
2. Compare the answer in item 1 to your indexed monthly earnings.

If the answer from item 1 is less than or equal to 100% of your indexed monthly earnings, Prudential will not further reduce your monthly payment.

If the answer from item 1 is more than 100% of your indexed monthly earnings, Prudential will subtract the amount over 100% from your monthly payment.

After 12 months of payments, while working, you will receive payments based on the percentage of income you are losing due to your disability.

1. Subtract your disability earnings from your indexed monthly earnings.
2. Divide the answer in item 1 by your indexed monthly earnings. This is your percentage of lost earnings.
3. Multiply your monthly payment by the answer in item 2.

This is the amount Prudential will pay you each month.

If your monthly disability earnings exceed 80% of your indexed monthly earnings, Prudential will stop sending you payments and your claim will end.

Prudential may require you to send proof of your monthly disability earnings on a monthly basis. We will adjust your payment based on your monthly disability earnings.

As part of your proof of disability earnings, we can require that you send us appropriate financial records, including copies of your IRS federal income tax return, W-2's and 1099's, which we believe are necessary to substantiate your income.

Disability earnings means the earnings which you receive while you are disabled and working, plus the earnings you could receive if you were working to your greatest extent possible. This would be, based on your restrictions and limitations:

- During the first 24 months of disability payments, the greatest extent of work you are able to do in your regular occupation, that is reasonably available.
- Beyond 24 months of disability payments, the greatest extent of work you are able to do in any occupation, that is reasonably available, for which you are reasonably fitted by education, training or experience.

Salary continuance paid to supplement your disability earnings will not be considered payment for work performed.

What Happens If Your Disability Earnings Fluctuate?

If your disability earnings are expected to fluctuate widely from month to month, Prudential may average your disability earnings over the most recent 3 months to determine if your claim should continue subject to all other terms and conditions in the plan.

If Prudential averages your disability earnings, we will terminate your claim if the average of your disability earnings from the last 3 months exceeds 80% of indexed monthly earnings.

We will not pay you for any month during which disability earnings exceed the above amount.

What Are Deductible Sources of Income?

Prudential will deduct from your gross disability payment the following deductible sources of income:

1. The amount that you receive or are entitled to receive as loss of time benefits under:

- (a) a workers' compensation law;
 - (b) an occupational disease law; or
 - (c) any other **act** or **law** with similar intent.
2. The amount that you receive or are entitled to receive as loss of time disability income payments under any:
- (a) state compulsory benefit act or law;
 - (b) automobile liability insurance policy;
 - (c) other group insurance plan; or
 - (d) governmental retirement system as the result of your job with your Employer.
3. The amount that you, your spouse and children receive or are entitled to receive as loss of time disability payments because of your disability under:
- (a) the United States Social Security Act;
 - (b) the Railroad Retirement Act;
 - (c) the Canada Pension Plan;
 - (d) the Quebec Pension Plan; or
 - (e) any similar **plan** or **act**.

Amounts paid to your former spouse or to your children living with such spouse will not be included.

4. The amount that you receive as retirement payments or the amount your spouse and children receive as retirement payments because you are receiving payments under:
- (a) the United States Social Security Act;
 - (b) the Railroad Retirement Act;
 - (c) the Canada Pension Plan;
 - (d) the Quebec Pension Plan; or
 - (e) any similar plan or act.

This does not include benefits for any month before you reach normal retirement age, as defined under the Social Security Act, unless you choose to receive these benefits.

Benefits paid to your former spouse or to your children living with such spouse will not be included.

5. The amount that you:
- (a) receive as disability payments under your Employer's **retirement plan**;

- (b) voluntarily elect to receive as retirement or early retirement payments under your Employer's retirement plan; or
- (c) receive as retirement payments when you reach normal retirement age, as defined in your Employer's retirement plan.

Disability payments under a retirement plan will be those benefits which are paid due to disability and do not reduce the retirement benefits which would have been paid if the disability had not occurred.

Retirement payments will be those benefits which are paid based on your Employer's contribution to the retirement plan. Disability benefits which reduce the retirement benefits under the plan will also be considered as a retirement benefit.

Amounts received do not include amounts rolled over or transferred to any eligible retirement plan. Prudential will use the definition of eligible retirement plan as defined in Section 402 of the Internal Revenue Code including any future amendments which affect the definition.

- 6. The amount you receive under the maritime doctrine of maintenance, wages and cure. This includes only the "wages" part of such benefits.
- 7. The amount that you receive from a partnership, proprietorship or any similar draws.

With the exception of retirement payments, or amounts that you receive from a partnership, proprietorship or any similar draws, Prudential will only subtract deductible sources of income which are payable as a result of the same disability.

We will not reduce your payment by your Social Security income if your disability begins after age 65 and you were already receiving Social Security retirement payments.

Law, plan or act means the original enactment of the law, plan or act and all amendments.

Retirement plan means a defined contribution plan or defined benefit plan. These are plans which provide retirement benefits to employees and are not funded entirely by employee contributions.

What Are Not Deductible Sources of Income?

Prudential will not deduct from your gross disability payment income you receive from, but not limited to, the following sources:

- 401(k) plans;
- profit sharing plans;
- thrift plans;
- tax sheltered annuities;
- stock ownership plans;
- non-qualified plans of deferred compensation;
- pension plans for partners;

- military pension and disability income plans;
- credit disability insurance;
- franchise disability income plans;
- a retirement plan from another Employer;
- individual retirement accounts (IRA).

What If Subtracting Deductible Sources of Income Results in a Zero Benefit? (Minimum Benefit)

The minimum monthly payment is \$100.00.

Prudential may apply this amount toward an outstanding overpayment.

What Happens When You Receive a Cost of Living Increase from Deductible Sources of Income?

Once Prudential has subtracted any deductible source of income from your gross disability payment, Prudential will not further reduce your payment due to a cost of living increase from that source.

What If Prudential Determines that You May Qualify for Deductible Income Benefits?

If we determine that you may qualify for benefits under item 1, 2 or 3 in the deductible sources of income section, we will estimate your entitlement to these benefits. We can reduce your payment by the estimated amount if such benefits have not been awarded.

However, we will NOT reduce your payment by the estimated amount under item 1, 2 or 3 in the deductible sources of income section if you:

- apply for the benefits;
- appeal any denial to all administrative levels Prudential feels are necessary; and
- sign Prudential's Reimbursement Agreement form. This form states that you promise to pay us any overpayment caused by an award.

If your payment has been reduced by an estimated amount, your payment will be adjusted when we receive proof:

- of the amount awarded; or
- that benefits have been denied and all appeals Prudential feels are necessary have been completed. In this case, a lump sum refund of the estimated amount will be made to you.

What Happens If You Receive a Lump Sum Payment?

If you receive a lump sum payment from any deductible source of income, the lump sum will be pro-rated on a monthly basis over the time period for which the sum was given. If no time period is stated, we will use a reasonable one.

How Long Will Prudential Continue to Send You Payments?

Prudential will send you a payment each month up to the **maximum period of payment**. Your maximum period of payment is shown in the Benefit Highlights.

We will stop sending you payments and your claim will end on the earliest of the following:

1. During the first 24 months of payments, when you are able to work in your regular occupation on a **part-time basis** but you choose not to; after 24 months of payments, when you are able to work in any gainful occupation on a part-time basis but you choose not to.
2. The end of the maximum period of payment.
3. The date you are no longer disabled under the terms of the plan.
4. The date you fail to submit proof of continuing disability satisfactory to Prudential.
5. The date your disability earnings exceed the amount allowable under the plan.
6. The date you die.

Maximum period of payment means the longest period of time Prudential will make payments to you for any one period of disability.

Part-time basis means the ability to work and earn 20% or more of your indexed monthly earnings.

What Disabilities Have a Limited Pay Period Under Your Plan?

Disabilities due to a sickness or injury which, as determined by Prudential, are primarily based on **self-reported symptoms** have a limited pay period during your lifetime.

Disabilities which, as determined by Prudential, are due in whole or part to **mental illness** also have a limited pay period during your lifetime.

The limited pay period for self-reported symptoms and mental illness combined is 24 months during your lifetime.

Prudential will continue to send you payments for disabilities due in whole or part to mental illness beyond the 24 month period if you meet one or both of these conditions:

1. If you are **confined** to a **hospital or institution** at the end of the 24 month period, Prudential will continue to send you payments during your **confinement**.

If you are still disabled when you are discharged, Prudential will send you payments for a recovery period of up to 90 days.

If you become reconfined at any time during the recovery period and remain confined for at least 14 days in a row, Prudential will send payments during that additional confinement and for one additional recovery period up to 90 more days.

2. In addition to item 1, if, after the 24 month period for which you have received payments, you continue to be disabled and subsequently become confined to a hospital or institution for at least 14 days in a row, Prudential will send payments during the length of the confinement.

Prudential will not pay beyond the limited pay period as indicated above, or the maximum period of payment, whichever occurs first.

Prudential will not apply the mental illness limitation to dementia if it is a result of:

- stroke;
- trauma;
- viral infection;
- Alzheimer's disease; or
- other conditions not listed which are not usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods of treatment as standardly accepted in the practice of medicine.

Self-reported symptoms means the manifestations of your condition, which you tell your doctor, that are not verifiable using tests, procedures and clinical examinations standardly accepted in the practice of medicine. Examples of self-reported symptoms include, but are not limited to headache, pain, fatigue, stiffness, soreness, ringing in ears, dizziness, numbness and loss of energy.

Mental illness means a psychiatric or psychological condition regardless of cause. Mental illness includes but is not limited to schizophrenia, depression, manic depressive or bipolar illness, anxiety, somatization, substance related disorders and/or adjustment disorders or other conditions. These conditions are usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods of treatment as standardly accepted in the practice of medicine.

Confined or confinement for this section means a hospital stay of at least 8 hours per day.

Hospital or institution means an accredited facility licensed to provide care and treatment for the condition causing your disability.

What Disabilities Are Not Covered Under Your Plan?

Your plan does not cover any disabilities caused by, contributed to by, or resulting from your:

- intentionally self-inflicted injuries;
- active participation in a riot; or
- commission of a crime for which you have been convicted under state or federal law.

Your plan does not cover a disability which:

- begins within 12 months of the date your coverage under the plan becomes effective; and

- is due to a pre-existing condition.

Your plan does not cover a disability due to war, declared or undeclared, or any act of war.

Prudential will not make a payment for any period of disability during which you are incarcerated as a result of a conviction.

What Is a Pre-Existing Condition?

You have a pre-existing condition if:

1. You received medical treatment, consultation, care or services including diagnostic measures, took prescribed drugs or medicines, or followed treatment recommendation in the 3 months just prior to your effective date of coverage or the date an increase in benefits would otherwise be available; or
2. You had symptoms for which an ordinarily prudent person would have consulted a health care provider in the 3 months just prior to your effective date of coverage or the date an increase in benefits would otherwise be available.

How Does a Pre-Existing Condition Affect an Increase in Your Benefits?

If there is an increase in your benefits due to an amendment of the plan; or your enrollment in another plan option, a benefit limit will apply if your disability is due to a pre-existing condition.

You will be limited to the benefits you had on the day before the increase if your disability begins during the 12 month period starting with the date the increase in benefits would have been effective. The increase will not take effect until your disability ends.

How Does the Pre-Existing Condition Work If You Were Covered Under Your Employer's Prior Plan?

Special rules apply to pre-existing conditions, if this long term disability plan replaces your Employer's prior plan and:

- you were covered by that plan on the day before this plan became effective; and
- you became covered under this plan within thirty-one days of its effective date.

The special rules are:

1. If the Employer's prior plan did not have a pre-existing condition exclusion or limitation, then a pre-existing condition will not be excluded or limited under this plan.
2. If the Employer's prior plan did have a pre-existing condition exclusion or limitation, then the limited time does not end after the first 12 months of coverage. Instead it will end on the date any equivalent limit would have ended under the Employer's prior plan.
3. If the change from your Employer's prior plan to this plan of coverage would result in an increase in your amount of benefits, the benefits for your disability that is due to a pre-existing sickness or injury will not increase. Instead the benefits are limited to the amount you had on the day before the plan change.

What Happens If You Return to Work Full Time and Your Disability Occurs Again?

If you have a **recurrent disability**, as determined by Prudential, we will treat your disability as part of your prior claim and you will not have to complete another elimination period if:

- you were continuously insured under this plan for the period between your prior claim and your current disability; and
- your recurrent disability occurs within 6 months of the end of your prior claim.

Your recurrent disability will be subject to the same terms of the plan as your prior claim. Any disability which occurs after 6 months from the date your prior claim ended will be treated as a new claim. The new claim will be subject to all of the plan provisions.

If you become covered under any other group long term disability plan, you will not be eligible for payments under the Prudential plan.

Recurrent disability means a disability which is:

- caused by a worsening in your condition; and
 - due to the same cause(s) as your prior disability for which Prudential made a Long Term Disability payment.
-

Long Term Disability Coverage

OTHER BENEFIT FEATURES

What Benefits Will be Provided to Your Family If You Die? (Survivor Benefit)

When Prudential receives proof that you have died, we will pay your **eligible survivor** a lump sum benefit equal to 3 months of your gross disability payment if, on the date of your death:

- your disability had continued for 180 or more consecutive days; and
- you were receiving or were entitled to receive payments under the plan.

If you have no eligible survivors, payment will be made to your estate.

However, we will first apply the survivor benefit to any overpayment which may exist on your claim.

Eligible survivor means your spouse, if living; otherwise, your children under age 25.

Long Term Disability Coverage

CLAIM INFORMATION

When Do You Notify Prudential of a Claim?

We encourage you to notify us of your claim as soon as possible, so that a claim decision can be made in a timely manner. Written notice of a claim should be sent within 30 days after the date your disability begins. However, you must send Prudential written proof of your claim no later than 90 days after your elimination period ends. If it is not possible to give proof within 90 days, it must be given no later than 1 year after the time proof is otherwise required except in the absence of legal capacity.

The claim form is available from your Employer, or you can request a claim form from us. If you do not receive the form from Prudential within 15 days of your request, send Prudential written proof of claim without waiting for the form.

You must notify us immediately when you return to work in any capacity.

How Do You File a Claim?

You and your Employer must fill out your own section of the claim form and then give it to your attending doctor. Your doctor should fill out his or her section of the form and send it directly to Prudential.

What Information Is Needed as Proof of Your Claim?

Your proof of claim, provided at your expense, must show:

- (1) That you are under the **regular care** of a **doctor**.
- (2) The appropriate documentation of your monthly earnings.
- (3) The date your disability began.
- (4) Appropriate documentation of the disabling disorder.
- (5) The extent of your disability, including restrictions and limitations preventing you from performing your regular occupation or gainful occupation.
- (6) The name and address of any hospital or institution where you received treatment, including all attending doctors.
- (7) The name and address of any doctor you have seen.

We may request that you send proof of continuing disability, satisfactory to Prudential, indicating that you are under the regular care of a doctor. This proof, provided at your expense, must be received within 30 days of a request by us.

In some cases, you will be required to give Prudential authorization to obtain additional medical information, and to provide non-medical information as part of your proof of claim, or proof of continuing disability. Prudential will deny your claim or stop sending you payments if the appropriate information is not submitted.

Regular care means:

- you personally visit a doctor as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat your disabling condition(s); and
- you are receiving the most appropriate treatment and care, which conforms with generally accepted medical standards, for your disabling condition(s) by a doctor whose specialty or experience is the most appropriate for your disabling condition(s), according to generally accepted medical standards.

Doctor means:

a person who is performing tasks that are within the limits of his or her medical license; and

- is licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
- has a doctoral degree in Psychology (Ph.D. or Psy.D.) whose primary practice is treating patients; or
- is a legally qualified medical practitioner according to the laws and regulations of the governing jurisdiction.

Prudential will not recognize any relative including, but not limited to, you, your spouse, or a child, brother, sister, or parent of you or your spouse as a doctor for a claim that you send to us.

Who Will Prudential Make Payments To?

Prudential will make payments to you.

What Happens If Prudential Overpays Your Claim?

Prudential has the right to recover any overpayments due to:

- fraud;
- any error Prudential makes in processing a claim; and
- your receipt of deductible sources of income.

You must reimburse us in full. We will determine the method by which the repayment is to be made.

Prudential will not recover more money than the amount we paid you.

What Are the Time Limits for Legal Proceedings?

You can start legal action regarding your claim 60 days after proof of claim has been given and up to 3 years from the time proof of claim is required, unless otherwise provided under federal law.

How Will Prudential Handle Insurance Fraud?

Prudential wants to ensure you and your Employer do not incur additional insurance costs as a result of the undermining effects of insurance fraud. Prudential promises to focus on all means necessary to support fraud detection, investigation and prosecution.

In some jurisdictions, if you knowingly and with intent to defraud Prudential, file an application or a statement of claim containing any materially false information or conceal for the purpose of misleading, information concerning any fact material thereto, you commit a fraudulent insurance act, which is a crime and subjects you to criminal and civil penalties. These actions will result in denial or termination of your claim, and, where such laws apply, are subject to prosecution and punishment to the full extent under any applicable law. Prudential will pursue all appropriate legal remedies in the event of insurance fraud.

Long Term Disability Coverage

OTHER SERVICES

How Can Prudential Help Your Employer Identify and Provide Worksite Modification?

A worksite modification might be what is needed to allow you to perform the material and substantial duties of your regular occupation with your Employer. One of our designated professionals will assist you and your Employer to identify a modification we agree is likely to help you remain at work or return to work. This agreement will be in writing and must be signed by you, your Employer and Prudential.

When this occurs, Prudential will reimburse your Employer for the cost of the modification up to the greater of:

- \$1,000; or
- the equivalent of 2 months of your monthly benefit.

This benefit is available to you on a one time only basis.

How Can Prudential's Rehabilitation Program Help You Return to Work?

Prudential has a rehabilitation program available. A rehabilitation program means a program designed to assist you to return to work.

As your file is reviewed, medical and vocational information will be analyzed to determine if rehabilitation services might help you return to work.

Once the initial review is completed by our rehabilitation program specialists working along with your doctor and other appropriate specialists, Prudential may elect to offer you and pay for a return to work program. If the return to work program is not developed by Prudential's rehabilitation program specialists, you must receive written approval from Prudential for the program before it begins.

The return to work program may include, but is not limited to, the following services:

- coordination with your Employer to assist you to return to work;
- evaluation of adaptive equipment to allow you to work;
- child care during your return-to-work program;
- vocational evaluation to determine how your disability may impact your employment options;
- job placement services;
- resume preparation;

- job seeking skills training;
- retraining for a new occupation; or
- assistance with relocation that may be part of an approved return to work program.

How Can Prudential's Social Security Claimant Assistance Program Help You With Obtaining Social Security Disability Benefits?

Prudential can arrange for expert advice regarding your Social Security disability benefits claim and assist you with your application or appeal, if you are disabled under the plan.

Receiving Social Security disability benefits may enable:

- you to receive Medicare after 24 months of disability payments;
- you to protect your retirement benefits; and
- your family to be eligible for Social Security benefits.

We can assist you in obtaining Social Security disability benefits by:

- helping you find appropriate legal representation;
- obtaining medical and vocational evidence; and
- reimbursing pre-approved case management expenses.

Glossary

Active employment means you are working for your Employer for earnings that are paid regularly and that you are performing the material and substantial duties of your regular occupation. You must be working at least 30 hours per week.

Your worksite must be:

- your Employer's usual place of business;
- an alternate work site at the direction of your Employer other than your home unless clear specific expectations and duties are documented; or
- a location to which your job requires you to travel.

Normal vacation is considered active employment.

Temporary and seasonal workers are excluded from coverage.

Individuals whose employment status is being continued under a severance or termination agreement will not be considered in active employment.

Confined or confinement for this section means a hospital stay of at least 8 hours per day.

Contract holder means the PruValue Insurance Benefits Trust to whom the Group Contract is issued.

Deductible sources of income means income from deductible sources listed in the plan which you receive or are entitled to receive while you are disabled. This income will be subtracted from your gross disability payment.

Disability earnings means the earnings which you receive while you are disabled and working, plus the earnings you could receive if you were working to your greatest extent possible as explained in the plan. Salary continuance will not be included as disability earnings since it is not payment for work performed.

Doctor means:

a person who is performing tasks that are within the limits of his or her medical license; and

- is licensed to practice medicine and prescribe and administer drugs or to perform surgery; or
- has a doctoral degree in Psychology (Ph.D. or Psy.D.) whose primary practice is treating patients; or
- is a legally qualified medical practitioner according to the laws and regulations of the governing jurisdiction.

Prudential will not recognize any relative including but not limited to you, your spouse, or a child, brother, sister, or parent of you or your spouse as a doctor for a claim that you send to us.

Eligible survivor means your spouse, if living; otherwise, your children under age 25.

Elimination period means a period of continuous disability which must be satisfied before you are eligible to receive benefits from Prudential.

Employee means a person who is in active employment with the Employer for the minimum hours requirement.

Employer means any employer included under the Group Contract and any subsidiary or affiliate who is reported to Prudential in writing for inclusion under the Group Contract, provided that Prudential has approved such request.

Employment waiting period means the continuous period of time that you must be in a covered class before you are eligible for coverage under a plan. The period must be agreed upon by the Employer and Prudential.

Evidence of insurability means a statement of your medical history which Prudential will use to determine if you are approved for coverage. Evidence of Insurability will be provided at your own expense.

Gainful occupation means an occupation, including self employment, that is or can be expected to provide you with an income equal to at least the benefit percent of your indexed monthly earnings within 12 months of your return to work. The benefit percent is shown in the Benefit Highlights.

Gross disability payment means the benefit amount before Prudential subtracts deductible sources of income and disability earnings.

Hospital or institution means an accredited facility licensed to provide care and treatment for the condition causing your disability.

Indexed monthly earnings means your monthly earnings adjusted on each July 1 provided you were disabled for all of the 12 months before that date. Your monthly earnings will be adjusted on that date by the lesser of 1% or the current annual percentage increase in the Consumer Price Index. Your indexed monthly earnings may increase or remain the same, but will never decrease.

The Consumer Price Index (CPI-W) is published by the U.S. Department of Labor. Prudential reserves the right to use some other similar measurement if the Department of Labor changes or stops publishing the CPI-W.

Indexing is only used to determine your percentage of lost earnings while you are disabled and working.

Injury means a bodily injury that is the direct result of an accident and not related to any other cause. Injury which occurs before you are covered under the plan will be treated as a sickness. Disability must begin while you are covered under the plan.

Insured means any person covered under a coverage.

Law, plan or act means the original enactment of the law, plan or act and all amendments.

Layoff or leave of absence means you are temporarily absent from active employment for a period of time that has been agreed to in advance in writing by your Employer, other than for reasons in connection with any severance or termination agreement. Your normal vacation time, any period of disability or FMLA leave is not considered a temporary layoff.

Material and substantial duties means duties that:

- are normally required for the performance of your regular occupation; and
- cannot be reasonably omitted or modified, except that if you are required to work on average in excess of 40 hours per week, Prudential will consider you able to perform that requirement if you are working or have the capacity to work 40 hours per week.

Maximum period of payment means the longest period of time Prudential will make payments to you for any one disability.

Mental illness means a psychiatric or psychological condition regardless of cause. Mental illness includes but is not limited to schizophrenia, depression, manic depressive, or bipolar illness, anxiety, somatization, substance related disorders, and/or adjustment disorders or other conditions. These conditions are usually treated by a mental health provider or other qualified provider using psychotherapy, psychotropic drugs, or other similar methods of treatment as standardly accepted in the practice of medicine.

Monthly benefit means the total benefit amount for which an employee is insured under this plan subject to the maximum benefit.

Monthly earnings means your gross monthly income from your Employer as defined in the plan.

Monthly payment means your payment after any deductible sources of income have been subtracted from your gross disability payment.

Part-time basis means the ability to work and earn 20% or more of your indexed monthly earnings.

Payable claim means a claim for which Prudential is liable under the terms of the Group Contract.

Plan means a line of coverage under the Group Contract.

Pre-existing condition means:

- a condition for which you received medical treatment, consultation, care or services including diagnostic measures, took prescribed drugs or medicines or followed treatment recommendation for your condition during the given period of time as stated in the plan; or
- you had symptoms for which an ordinarily prudent person would have consulted a health care provider during the given period of time as stated in the plan.

Recurrent disability means a disability which is:

- caused by a worsening in your condition; and
- due to the same cause(s) as your prior disability for which Prudential made a Long Term Disability payment.

Regular care means:

- you personally visit a doctor as frequently as is medically required, according to generally accepted medical standards, to effectively manage and treat your disabling condition(s); and

- you are receiving the most appropriate treatment and care, which conforms with generally accepted medical standards, for your disabling condition(s) by a doctor whose specialty or experience is the most appropriate for your disabling condition(s), according to generally accepted medical standards.

Regular occupation means the occupation you are routinely performing when your disability occurs. Prudential will look at your occupation as it is normally performed instead of how the work tasks are performed for a specific employer or at a specific location.

Retirement plan means a defined contribution plan or defined benefit plan. These are plans which provide retirement benefits to employees and are not funded entirely by employee contributions.

Self-reported symptoms means the manifestations of your condition, which you tell your doctor, that are not verifiable using tests, procedures and clinical examinations standardly accepted in the practice of medicine. Examples of self-reported symptoms include, but are not limited to headache, pain, fatigue, stiffness, soreness, ringing in ears, dizziness, numbness and loss of energy.

Sickness means any disorder of your body or mind, but not an injury; pregnancy including abortion, miscarriage or childbirth. Disability must begin while you are covered under the plan.

We, us, and our means The Prudential Insurance Company of America.

You means a person who is eligible for Prudential coverage.

**This ERISA Statement
is not part of the
Group Insurance Certificate.**

ERISA STATEMENT

Plan Benefits Provided by

The Prudential Insurance Company of America
Prudential Plaza
Newark, New Jersey 07102

This Group Contract underwritten by The Prudential Insurance Company of America provides insured benefits under your Employer's ERISA plan(s). The Prudential Insurance Company of America as Claims Administrator has the sole discretion to interpret the terms of the Group Contract, to make factual findings, and to determine eligibility for benefits. The decision of the Claims Administrator shall not be overturned unless arbitrary and capricious.

Claim Procedures

1. Determination of Benefits

Prudential shall notify you of the claim determination within 45 days of the receipt of your claim. This period may be extended by 30 days if such an extension is necessary due to matters beyond the control of the plan. A written notice of the extension, the reason for the extension and the date by which the plan expects to decide your claim, shall be furnished to you within the initial 45-day period. This period may be extended for an additional 30 days beyond the original 30-day extension if necessary due to matters beyond the control of the plan. A written notice of the additional extension, the reason for the additional extension and the date by which the plan expects to decide on your claim, shall be furnished to you within the first 30-day extension period if an additional extension of time is needed. However, if a period of time is extended due to your failure to submit information necessary to decide the claim, the period for making the benefit determination by Prudential will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If your claim for benefits is denied, in whole or in part, you or your authorized representative will receive a written notice from Prudential of your denial. The notice will be written in a manner calculated to be understood by you and shall include:

- (a) the specific reason(s) for the denial,
- (b) references to the specific plan provisions on which the benefit determination was based,
- (c) a description of any additional material or information necessary for you to perfect a claim and an explanation of why such information is necessary,
- (d) a description of the Prudential's appeals procedures and applicable time limits, including a statement of your right to bring a civil action under section 502(a) of ERISA following your appeals, and
- (e) if an adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination will be provided free of charge upon request.

2. Appeals of Adverse Determination

If your claim for benefits is denied or if you do not receive a response to your claim within the appropriate time frame (in which case the claim for benefits is deemed to have been denied), you or your representative may appeal your denied claim in writing to Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

A full review of the information in the claim file and any new information submitted to support the appeal will be conducted by the Prudential Appeals Review Unit. The claim decision will be made by a member of the Prudential Claims Management Team. The Prudential Appeals Review Unit and Claims Management Team members are made up of individuals not involved in the initial benefit determination. This review will not afford any deference to the initial benefit determination.

The Prudential Appeals Review Unit shall make a determination on your claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to 90 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date that the Prudential Appeals Review Unit expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If the claim on appeal is denied in whole or in part, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include:

- (a) the specific reason(s) for the adverse determination,
- (b) references to the specific plan provisions on which the determination was based,
- (c) a statement that you are entitled to receive upon request and free of charge reasonable access to, and make copies of, all records, documents and other information relevant to your benefit claim upon request,
- (d) a description of Prudential's review procedures and applicable time limits,
- (e) a statement that you have the right to obtain upon request and free of charge, a copy of internal rules or guidelines relied upon in making this determination, and
- (f) a statement describing any appeals procedures offered by the plan, and your right to bring a civil suit under ERISA.

If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

If the appeal of your benefit claim is denied or if you do not receive a response to your appeal within the appropriate time frame (in which case the appeal is deemed to have been denied), you or your representative may make a second appeal of your denial in writing to

Prudential within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your second appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

Upon receipt of a second appeal, the Prudential Appeals Review Unit will again conduct a full review of the claim file and any additional information submitted. The claim decision will be made by a member of the Prudential Senior Claims Management Team. The Appeals Unit and Senior Claims Management Team member would not have been involved in the initial benefit determination or in the first appeal.

The Prudential Appeals Review Unit shall make a determination on your second claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to 90 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date by which the Appeals Review Unit expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

If the claim on appeal is denied in whole or in part for a second time, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include the same information that was included in the first adverse determination letter as well as your right to appeal the decision to Prudential's Appeal Committee. If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied upon appeal.

If the second appeal of your benefit claim is denied or if you do not receive a response to your second appeal within the appropriate time frame (in which case the appeal is deemed to have been denied), you or your authorized representative may make a third appeal of your denial in writing to the Prudential Appeals Committee within 180 days of the receipt of the written notice of denial or 180 days from the date such claim is deemed denied. You may submit with your third appeal any written comments, documents, records and any other information relating to your claim. Upon your request, you will also have access to, and the right to obtain copies of, all documents, records and information relevant to your claim free of charge.

Upon receipt of a third appeal, the claim will be directed to Prudential's Appeals Committee by a member of the Prudential Senior Claims Management Team. This Committee will be composed of three members of the Senior Claims Management Team who have not been involved in any previous appeals.

The Prudential Appeals Committee shall make a determination on your third claim appeal within 45 days of the receipt of your appeal request. This period may be extended by up to 90 days if Prudential determines that special circumstances require an extension of time. A written notice of the extension, the reason for the extension and the date by which the Appeals Review Unit expects to render a decision shall be furnished to you within the initial 45-day period. However, if the period of time is extended due to your failure to submit information necessary to decide the appeal, the period for making the benefit determination will be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information.

Your decision to submit a benefit dispute to the third level of appeal has no effect on your right to any other benefits under this plan. If you elect to initiate a lawsuit without submitting to a third level of appeal, the plan waives any right to assert that you failed to exhaust administrative remedies. If you elect to submit the dispute to the third level of appeal, the plan agrees that any statute of limitations or other defense based on timeliness is tolled during the time that the appeal is pending.

If the claim on appeal is denied in whole or in part for a third time, you will receive a written notification from Prudential of the denial. The notice will be written in a manner calculated to be understood by the applicant and shall include the same information that was included in the first adverse determination letter. If a decision on appeal is not furnished to you within the time frames mentioned above, the claim shall be deemed denied on appeal.

Rights and Protections

As a participant in this plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information about Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The plan administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the

administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

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PRUR 01167

PRUR 01168

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Group Insurance Contract

Contract Holder: PRUVALUESM INSURANCE TRUST NO. 3

Group Contract No.: PVIB - 03

Prudential will provide or pay the benefits described in the Group Insurance Certificate(s) listed in the Schedule of Plans of the Group Contract, subject to the Group Contract's terms. This promise is based on the Contract Holder's application and payment of the required premiums.

All of the provisions of the Group Insurance Certificate(s), attached to and made a part of the Group Contract, apply to the Group Contract as if fully set forth in the Group Contract.

The Group Contract takes effect on the Contract Date, if it is duly attested under the Group Contract Schedule. It continues as long as the required premiums are paid, unless it ends as described in its General Rules. Dividends are apportioned each year.

The Group Contract is delivered in and is governed by the laws of the Governing Jurisdiction.

Secretary

Chairman of the Board

Group Contract Schedule

Contract Date: April 1, 1999

Contract Anniversaries: January 1 of each year, beginning in 2000.

Premium Due Dates: The Contract Date, and the first day of the month beginning with May, 1999.

Governing Jurisdiction: State of Delaware

Minimum Participation Number: 1

Table of Contents (as of the Contract Date): The Group Contract includes these forms with an 83500 prefix: COV 1004, GCS 1027, SPR 1001, GR 5022, MOD 1001, SCH 1001, APP 1001.

Attest: _____

Included Employers

A. BECOMING AN INCLUDED EMPLOYER.

Application and Approval: An employer may become an Included Employer under the Group Contract if all these conditions are met.

- (1) The employer has applied to Prudential for a PruValueSM Insurance Benefits Program insurance plan. That plan will provide the benefits of one or more Coverages to the employer's Employees.
- (2) The employer's application has been approved by Prudential.
- (3) The conditions listed in the Rules for Inclusion below are met.
- (4) The employer has been accepted by the Contract Holder as a subscriber to the Contract Holder Trust.

An employer will be an Included Employer on the employer's Plan Effective Date. Prudential will determine the Plan Effective Date and will let the employer know that date.

An employer's Associated Companies, if any, are considered Included Employers under the Group Contract. Associated Companies are the employer's subsidiaries or affiliates named in the employer's application.

The employer must let Prudential know, in writing, when a company named as an Associated Company is no longer one of its subsidiaries or affiliates.

Coverage: Coverage of Employees of Included Employers is determined by these Included Employer provisions. But that Coverage is subject to the following:

- (1) The Schedule of Benefits or Benefit Highlights in the Group Insurance Certificate lists the available Coverages and their benefits.
- (2) For Coverages other than Disability Coverage, the Who is Eligible To Become Insured and When You Become Insured sections of the Group Insurance Certificates describe who is eligible for Employee Insurance and how they become insured for Employee Insurance. For Disability Coverages, the General Provisions section of the Group Insurance Certificates describe who is eligible for Employee Insurance and how they become insured for Employee Insurance.
- (3) For purposes of the Group Contract, Employees of an employer's Associated Companies are considered Employees of the employer. On any date when a company ceases to be an Associated Company, the Group Contract will be considered to end for Employees of that company. This applies to all of those Employees except those who, on the next day, are still within the Covered Classes of the Schedule of Plans of the Group Contract as Employees of an Included Employer.
- (4) An Employee of more than one Included Employer will be considered as an Employee of only one of those employers for the purpose of the Group Contract. The Employee's service with all other Included Employers will be treated as service with that one.

Terms Used in Rules for Inclusion.

Eligible Employees: The Who is Eligible To Become Insured section or the General Provisions section of the Group Insurance Certificate states when an Employee is eligible for Employee Insurance under the Group Contract. The term "Eligible Employee," as used in the Rules for Inclusion below, means an Employee who becomes eligible for insurance on the Included Employer's Plan Effective Date. The Employee's employment must, however, continue with the Included Employer to that date. The Employee must also be in the Covered Classes on that date. If an Employee has no Qualified Dependents, the Employee is not eligible for Dependents Insurance.

Enrollment: An Employee has enrolled for an insurance if the Employee has:

- (1) asked the Included Employer for the insurance on a form approved by Prudential; and,
- (2) agreed to pay the required contributions, if any.

Required Enrollment: If an Included Employer does not require Employee contributions toward the cost of any insurance under the Included Employer's plan, the Required Enrollment of that Included Employer's Eligible Employees is 100%. If an Included Employer requires Employee contributions, the Required Enrollment of such Employees is:

- (1) 100% for Included Employers who have fewer than 5 Eligible Employees;
- (2) all but one Employee for Included Employers who have 5 to 9 Eligible Employees;
- (3) 75% for Included Employers who have 10 or more Eligible Employees.
- (4) With respect to Dependents Coverage, 75% of Qualified Dependents of Eligible Employees for any Included Employer.

An Employee or Dependent may not become insured because the Employee or Dependent is unable to give satisfactory evidence of insurability to the Prudential. In that case, the Employee or Dependent will not be counted in determining the Required Enrollment.

Rules for Inclusion.

- (1) The Included Employer must be engaged in business in this industry: Service
- (2) The Included Employer's main place of business must be in one of these locations:
 - (a) a state of the United States;
 - (b) the District of Columbia;
 - (c) the Territory of Guam; or
 - (d) the Virgin Islands of the United States.
- (3) The Included Employer's application for the insurance plan and all enrollments for Employees who will become insured for Employee Insurance on the Plan Effective Date must be made within one month.

- (4) If there are only two Eligible Employees of the Included Employer, each must have a separate residence and neither may be a member of the same family. If an Included Employer has three Eligible Employees, no more than two of those Eligible Employees may be members of the same family. If an Included Employer has at least four Eligible Employees, no more than three of those Eligible Employees may be members of the same family.
- (5) The business of the Included Employer must not be operated out of the residence of the Included Employer.
- (6) An Included Employer must have been in the business in which it currently operates for at least 12 months.
- (7) An employer may not become an Included Employer if the employer's plan of benefits has been underwritten by more than two insurance carriers in the three years immediately preceding the employer's application for inclusion under the Group Contract.
- (8) If an Included Employer requires Employee contributions, the amount required of an Employee cannot exceed 75% of the cost of the benefits for which the Employee is insured.
- (9) The first premium for the Included Employer must have been received by Prudential.

B. EMPLOYER TRANSFERRED FROM ANOTHER GROUP CONTRACT OR GROUP POLICY.

If a group contract or group policy (called "group contract" below) issued by Prudential to another Employee Benefits Program Insurance Trust ends, or, if insurance with respect to an Included Employer under another group contract issued by Prudential to another Employee Benefits Program Insurance Trust ends in order that it be replaced by insurance under this Group Contract, an Included Employer included under that other group contract will be automatically included under this Group Contract if the Contract Holder notifies Prudential. In that case, the following will apply to that Included Employer's insurance:

- (1) The Coverages and benefits for the Included Employer's Employees will be those that most closely resemble the Coverages and benefits of the Included Employer's insurance plan under the other group contract. Prudential will decide which Coverages and benefits they are. This will apply until the Included Employer changes its plan.
- (2) Prudential's right to change premium rates for the Included Employer under this Group Contract will be the same as if the Included Employer had continued to be included under the other group contract. This will apply until the first date Prudential could have changed the rates under the other group contract.

If a person was a covered person under the other group contract when it ended and would have continued to be a covered person had the other group contract not ended as to the Included Employer, the following will apply:

- (1) Each such person will become a Covered Person under the Group Contract when the other group contract ends as to the Included Employer. Each person will be covered in the same capacity as they were under the other group contract, either as an Employee or as a Qualified Dependent.

- (2) The Coverages under which each such person is covered will be those which are determined by Prudential to be most similar to the person's coverage under the other group contract. This also applies to the level of benefits under such Coverages. Those Coverages and levels of benefits are subject to change as provided in the Group Contract.
- (3) The Beneficiary or Beneficiaries chosen by an Employee under the other group contract will continue to apply under the Group Contract. The Employee may change that Beneficiary at any time according to the Beneficiary Rules in the Group Insurance Certificate.
- (4) Benefits paid or payable under the coverages of the other group contract will be considered as paid under the Group Contract. But, if benefits are payable under the other group contract for a loss sustained by an person, benefits will not be payable under the Group Contract for that same loss.
- (5) An assignment by an Employee of the Employee's insurance under the other group contract which was allowed by that contract will apply to the replacing insurance under the Group Contract.

C. CHANGES IN INSURANCE PLAN.

An Included Employer may apply to Prudential for a change in the Included Employer's insurance plan. Prudential must approve the application. The Included Employer's insurance plan will automatically be modified to the extent of the changes approved by Prudential. The changes will be effective as of the plan change effective date. The plan change effective date is determined by Prudential. The Delay of Effective Date section applies to any change in the insurance of a Covered Person resulting from the change in the Included Employer's insurance plan.

The Included Employer's application for plan change and all Employee enrollment for the revised plan must be made within one month.

The premium due for the Included Employer on the Premium Due Date just before the Included Employer applied for a change must have been received by Prudential.

D. CEASING TO BE AN INCLUDED EMPLOYER.

An Included Employer will cease to be an Included Employer when the Group Contract ends for such Included Employer under the provisions of the Group Contract's General Rules.

General Rules

A. PAYMENT OF PREMIUMS - GRACE PERIOD.

Premiums are to be paid by the Contract Holder to Prudential. Each may be paid at a Prudential office or to one of its authorized agents. One is due with respect to each Included Employer on that Included Employer's Plan Effective Date. Later premiums are due on the same day of each month as the Included Employer's Plan Effective Date. But, a premium is due: (1) on the last day of the month, if the Included Employer's Plan Effective Date is on the thirty-first day of a month; and (2) on the last day of February, if the Included Employer's Plan Effective Date is on the twenty-ninth or thirtieth day of a month. The Contract Holder may pay each premium other than the first within 31 days of the Included Employer's Premium Due Date without being charged interest. Those days are known as the grace period. The Contract Holder is liable to pay premiums to Prudential for each Included Employer for the time the Group Contract is in force with respect to that Included Employer. The Contract Holder is not so liable if the Contract Holder and the Included Employer mutually agree that such Included Employer is directly liable, as provided in the End of the Group Contract or of an Insurance for an Included Employer section of these General Rules.

B. PREMIUM AMOUNTS.

The premium due for an Included Employer on each Premium Due Date is the sum of the premium charges for the insurance then provided for that Included Employer under the Coverages. Those charges are determined from the premium rates then in effect and the Employees then insured.

The following will apply if one or more premiums paid include premium charges for an Employee whose insurance has ended before the due date of that premium. Prudential will not have to refund more than the amount of the premium charges for such Employee that were included in the premiums paid for the two month period immediately before the date Prudential receives written notice from the Included Employer that the Employee's insurance has ended.

Premiums may be determined in another way. But it must produce about the same amounts and be agreed to by the Contract Holder and Prudential.

No premium charge will be made for an insured Employee under the Long Term Disability Coverage while the Employee:

- (1) is Disabled; and
- (2) is entitled, after the Elimination Period, to benefits under the Coverage.

C. PREMIUM RATE CHANGES.

The premium rates in effect for an Included Employer on the Contract Date are shown in the Group Contract's Schedule of Premium Rates. Prudential has the right to change premium rates for an Included Employer:

- (1) As of any Premium Due Date for that Included Employer; and
- (2) As of any date that an employer becomes, or ceases to be, an Included Employer; and

- (3) As of any date that the insurance for Employees of that Included Employer changes at the Included Employer request; and
- (4) For a Coverage, as of any date that the extent or nature of the risk under that Coverage is changed as to the Included Employer: (a) by amendment of the Group Contract; or (b) by reason of any provision of law or any governmental program or regulation; or (c) by termination of, or any change in, benefits not in that Coverage but considered in determining the premium rates for that Coverage.

But, unless the Schedule of Premium Rates or an amendment states otherwise, (1) above will not be used to change premium rates for an Included Employer within 12 months of the Included Employer's Plan Effective Date.

Prudential will tell the Included Employer when a change in the premium rates is made.

D. PREMIUM REFUNDS.

Prudential will determine the premium refund, if any, allocable to the Group Contract as of each Contract Anniversary, if the Group Contract stays in force by the payment of all premiums to that date. The premium refund will be credited to the Group Contract as of that date. If the Group Contract ends on a date other than a Contract Anniversary, the premium refund, if any, will be determined and credited to the Group Contract as of that date.

Each premium refund will be paid to the Contract Holder in cash unless the Contract Holder asks that it be applied toward the premium then due.

Prudential's sole liability as to any premium refund is as set forth above.

Non-profit Clause: This applies if the aggregate premium refunds under the Group Contract and any other group contract(s) of the Contract Holder exceed the aggregate payments toward their cost made from the Included Employer's own funds. The Contract Holder will see that an amount equal to the excess is applied for the benefit of insured persons.

E. END OF THE GROUP CONTRACT OR OF AN INSURANCE FOR AN INCLUDED EMPLOYER.

End of Period of Payment - Failure to Pay Premiums: If an Included Employer fails to make a payment required in connection with the Contract Holder Trust within the time the Contract Holder allows for such payments, the Group Contract will end for that Included Employer at the end of such time. But the Included Employer may write to the Contract Holder, in advance, to ask that the Group Contract be ended at the end of the period for which premiums for that Included Employer have been paid or at any time during the time the Contract Holder allows for such payments. Then the Group Contract will end for that Included Employer on the date requested. If the Contract Holder and the Included Employer mutually agree, the Included Employer will be directly liable to Prudential for paying a pro-rata premium for the time the Group Contract was in force for such Included Employer beyond the period to which the last payment made by the Included Employer applied.

During or at End of Grace Period - Failure to Pay Premiums: If any premium for an Included Employer is not paid by the end of its grace period, the Group Contract will end when that period ends with respect to that Included Employer. But it may be ended earlier for an Included Employer as provided above.

On a Premium Due Date - Failure to Maintain Insuring Conditions: On any Premium Due Date for an Included Employer, Prudential may end the part of the Group Contract for Employee Insurance or Dependents Insurance under a Coverage for that Included Employer if one or more of the following

conditions then exists for that part. But notice of its intent to do so must be given to that Included Employer at least 31 days in advance.

The insured Employees of an Included Employer are:

- (1) less than the Minimum Participation Number; or
- (2) less than the Required Enrollment; or
- (3) contributing at a rate higher than the maximum, if any, stated in the Group Contract for the insurance; or
- (4) in total, less than the Minimum Participation Number on both of these dates that occur within the 12 month period just before the date of the notice:
 - (a) on each of three Premium Due Dates; and
 - (b) on two Premium Due Dates in a row.

When condition (4) does not exist, the end of the Group Contract or of an insurance will not take effect if, before the date on which it would otherwise end, the condition(s) on which the notice was based no longer exists.

The Minimum Participation Number and the Required Enrollment are shown in the Group Contract Schedule.

On Notice - Ceasing to be a Subscriber: If the Contract Holder notifies Prudential of an Included Employer's ceasing to subscribe to the Contract Holder Trust, the Group Contract will end for that Included Employer on such cessation. But such ending will not take effect before the end of the period for which premiums have been paid for Employees of that Included Employer.

On a Contract Anniversary - On Notice: Prudential may end the Group Contract on the date on which less than 100 Employees are insured under the Group Contract.

On a Premium Due Date: Prudential may end the Group Contract with respect to an Included Employer on any Premium Due Date. But notice of its intent to do so must be given to the Included Employer at least 31 days in advance.

F. AGE ADJUSTMENT.

If an age is used to determine the premium charge for an Employee's insurance and the age is found to be in error, the premium charge for that insurance will then be adjusted to reflect the correct age. If this adjustment results in a change in the amount of premium, any difference between the premium paid and the premium required on the basis of the correct age will be paid as follows:

- (1) If the adjustment results in an increased premium, the difference will be paid by the Contract Holder when notified by Prudential.
- (2) If the adjustment results in a decreased premium, the difference will be refunded by Prudential.

If the change in age affects the amount of the Employee's insurance under any Coverage, such amount will be changed on the basis of the correct age. Any premium adjustment will take this into account.

G. EMPLOYEE'S CERTIFICATE.

Prudential will give the Included Employer an individual certificate to give each insured Employee. It will describe the Employee's coverage under the Group Contract. It will include (1) to whom Prudential pays benefits, (2) any protection and rights when the insurance ends, and (3) claim rights and requirements.

H. RECORDS - INFORMATION TO BE FURNISHED.

Either the Contract Holder or Prudential, as they agree, will keep a record of the insured Employees. It will contain the key facts about their insurance.

At the times set by Prudential, the Contract Holder will send the data required by Prudential to perform its duties under the Group Contract, and to determine the premium rates. All records of the Contract Holder and of the Included Employers which bear on the insurance must be open to Prudential for its inspection at any reasonable time.

Prudential will not have to perform any duty that depends on such data before it is received in a form that satisfies Prudential. The Contract Holder or an Included Employer may correct wrong data given to Prudential, if Prudential has not been harmed by acting on it. An Employee's insurance under a Coverage will not be made invalid by failure of the Contract Holder or an Included Employer, due to clerical error, to record or report the Employee for that insurance.

I. THE CONTRACT - INCONTESTABILITY OF THE CONTRACT.

The entire Group Contract consists of: (1) the Group Insurance Certificate(s) listed in the Schedule of Plans, a copy of which is attached to the Group Contract; (2) all modifications and endorsements to such Group Insurance Certificates which are attached to and made a part of the Group Contract by amendment to the Group Contract; (3) the forms shown in the Table of Contents as of the Contract Date; (4) the Contract Holder's application, a copy of which is attached to the Group Contract; (5) any endorsements or amendments to the Group Contract; and (6) the applications of Included Employers and the individual applications, if any, of the persons insured. No statement of the Contract Holder or of an Included Employer shall be used in any contest of the insurance under the Group Contract unless it is contained in a written application.

There will be no contest of the validity of the Group Contract, except for not paying premiums, after it has been in force for one year.

J. MODIFICATION OF THE GROUP CONTRACT.

The Group Contract may be amended, at any time, without the consent of the insured Employees or of anyone else with a beneficial interest in it. This can be done through written request made by the Contract Holder and agreed to by Prudential. But an amendment will not affect a claim incurred before the date of change.

Only an officer of Prudential has authority: to waive any conditions or restrictions of the Group Contract; or to extend the time in which a premium may be paid; or to make or change a contract; or to bind Prudential by a promise or representation or by information given or received. A Prudential agent is not an officer.

No change in the Group Contract is valid unless shown in:

(1) an endorsement on it signed by an officer of Prudential; or

- (2) an amendment to it signed by the Contract Holder and by an officer of Prudential.

But a change in the Group Contract may be made in an amendment to it that is signed only by an officer of Prudential if:

- (1) The amendment reflects a change in the Group Contract that has been automatically made to satisfy the requirements of any state or federal law or regulation that applies to the Group Contract, as provided in the Conformity With Law section. This change is known as a Statutory Amendment.
- (2) The amendment reflects a change in Prudential's administration of its group insurance benefits and is intended to apply to all group insurance contracts which are affected by the change. This change is known as a Portfolio Amendment. Prudential will give the Contract Holder written notice of its intent to make a Portfolio Amendment in the Group Contract at least 31 days in advance of the effective date of the Amendment. When the Group Contract is so amended, payment by the Contract Holder of the next premium due under the Group Contract will constitute acceptance of the Portfolio Amendment, unless the Contract Holder has rejected the Amendment, in writing, prior to its effective date.

K. OTHER GOODS AND SERVICES.

From time to time, Prudential may offer or provide Covered Persons or their Beneficiaries certain goods and services in addition to the insurance coverage. Prudential also may arrange for third party vendors to provide goods and services at a discount (including without limitation beneficiary financial counseling services and employee assistance programs) to Covered Persons or their Beneficiaries. Though Prudential may make the arrangements, the third party vendors are solely liable for providing the goods and services. Prudential shall not be responsible for providing or failing to provide the goods and services to Covered Persons or their Beneficiaries. Further, Prudential shall not be liable to Covered Persons or their Beneficiaries for the negligent provision of the goods and services by third party vendors.

L. CONFORMITY WITH LAW.

If the provisions of the Group Contract do not conform to the requirements of any state or federal law or regulation that applies to the Group Contract, the Group Contract is automatically changed to conform with Prudential's interpretation of the requirements of that law or regulation.

Modification Of The Group Contract

The Group Contract is modified to include the following section:

END OF EMPLOYMENT

An Employee's employment ends when the Employee is no longer actively at work on a full-time basis for an Included Employer. But, for insurance purposes, an Employee's Included Employer may consider the Employee as still employed and in the Covered Classes for the insurance during certain types of absences from full-time work. The Included Employer decides which Employees with those types of absences are to be considered as still employed, and for how long. In doing this, the Included Employer must not discriminate among persons in like situations.

For the purpose of the Employee's life insurance under the Group Contract, employment in the Covered Classes will not be considered to end while the Employee: (1) is absent from work for the Employer on account of disability; and (2) has been so absent for less than six months; and (3) is not working at any other job for wage or profit.

An Employee may be considered as still employed up to any time limit for the Employee's type of absence. When so considered, the Employee's insurance under a Coverage will be continued only while the Employee is paying contributions for it at the time and in the amounts, if any, required by the Included Employer (whether or not that insurance would otherwise be Non-contributory Insurance). But it will not be continued after it would end for a reason other than end of employment. The types of absences and the time limits are shown below, subject to any exceptions.

TYPES OF ABSENCES AND TIME LIMITS:

For absence due to retirement, there is no time limit.

For absence due to disability, two years following the date on which the absence from full-time work starts.

For absence due to temporary layoff or part-time employment for reasons other than disability, the end of the contract month following the contract month in which the absence from full-time work starts.

For absence due to leave of absence, there is no time limit. But in the case of an Employee on active duty in the armed forces of any country, not beyond the date of entry into such active duty.

EXCEPTIONS

Employee Term Life Coverage

Retirement is not an eligible type of absence for Included Employers with fewer than 25 Employees.

An Employee will not be continued as a member of the Covered Classes beyond the date the Employee gives Prudential written proof of Total Disability. This proof must be given according to the rules of the Extended Death Benefit During Total Disability section of the Coverage.

Modification Of The Group Contract (Continued)

Dependents Term Life Coverage

The types of absences and limits for the Employee Term Life Coverage under the group Contract apply.

Accidental Death and Dismemberment Coverage

Retirement is not an eligible type of absence.

Disability Coverage

The types of absences and limits for Disability Coverage are as set forth in the Group Insurance Certificate.

Schedule of Premium Rates

PVIB - 03

Classes of Employees to which this Schedule applies:

All Classes

Applicable Coverage

Monthly Rate Per Employee

All Coverages

The premium rates in effect on the Contract Date are those determined by Prudential. Those rates will be shown on the billing notice(s) sent to the Contract Holder (subject to any subsequent corrections).

83500
SPR 1001

(PVIB - 03)

PRUR 01182

Schedule of Plans

Effective Date: March 8, 2002

Group Contract No.: PVIB - 03

This Schedule of Plans sets forth the Plan of Benefits that applies to each Covered Class under the Group Contract listed below as of the Effective Date. The Plan of Benefits for a Covered Class is determined by: (1) the Group Insurance Certificates that apply to the Covered Class; and (2) any modification to those Certificates, provided the modification is included in an amendment to the Group Contract. A copy of each Certificate and any modification to it are attached to the Group Contract and made a part of it.

Covered Class:

All Employees of Included Employers

Plan of Benefits that Applies to the Covered Class:

The Coverages described in the Group Insurance Certificate, and any modifications thereto made a part of the Group Contract, prepared for the PruValueSM Insurance Trust No. 1. These Certificates and modifications, if any, consist of pages derived from the following charts, prepared for use in connection with the PruValueSM Insurance Benefits plans.

LIFE AND ACCIDENT CERTIFICATE ISSUE CHARTS:

- 83500 BFW Forms, Ed. 10-5-00
- 83500 BSB Forms - Introductory Paragraphs, Ed. 10-5-00
- 83500 BSB Forms - Life Chunks, Ed. 5-1-01
- 83500 BSB Forms - AD&D Chunks, Ed. 5-1-01
- 83500 BSB Forms - Dependent Life Chunks, Ed. 12-21-00
- 83500 BSB Forms - Closing Paragraphs, Ed. 10-5-00
- 83500 BEL Forms, Ed. 8-10-01
- 83500 LIF R Forms, Ed. 12-12-01
- 83500 LIF T Forms, Ed. 10-5-00
- 83500 ADD R Forms, Ed. 10-5-00
- 83500 PAI R Forms, Ed. 8-10-01
- 83500 DPL R Forms, Ed. 5-1-01
- 83500 BBN Forms, Ed. 3-8-02
- 83500 BAS Forms, Ed. 12-21-00
- 83500 BCL Forms, Ed. 10-5-00
- 83500 BTE Forms, Ed. 8-10-01

LIFE AND ACCIDENT CERTIFICATE ISSUE CHARTS, (continued):

83500
SCH 1001

(PVIB - 03)

- 83500 BCT Forms, Ed. 10-5-00
- 83500 PORT Forms, Ed. 3-8-02

SHORT AND LONG TERM DISABILITY CERTIFICATE ISSUE CHARTS:

- 83500 CBH-STD Forms, Ed. 8-10-01
- 83500 CBH-LTD Forms, Ed. 9-18-01
- 83500 CERT Forms, Ed. 9-18-01
- 83500 CGP Forms, Ed. 8-10-01
- 83500 CGI-STD Forms, Ed. 8-10-01
- 83500 CBI-STD Forms, Ed. 9-18-01
- 83500 CCLM-STD Forms, Ed. 8-10-01
- 83500 CGI-LTD Forms, Ed. 8-10-01
- 83500 CBI-LTD Forms, Ed. 9-18-01
- 83500 CDB-LTD Forms, Ed. 9-18-01
- 83500 SCDB-LTD Forms, Ed. 9-18-01
- 83500 COTB-LTD Forms, Ed. 8-10-01
- 83500 CCLM-LTD Forms, Ed. 9-18-01
- 83500 COTS-LTD Forms, Ed. 9-18-01
- 83500 CGL Forms, Ed. 9-18-01

RETIREE LIFE CERTIFICATE ISSUE CHARTS:

- Retiree Life Certificate, Ed. 3-8-02
-

Application to

The Prudential Insurance Company of America (Prudential)

For Group Contract No. PVIB - 03

Applicant: Christiana Bank & Trust Company, as Trustee of the PruValueSM Insurance Trust No. 3

Address: Greenville Center
3801 Kennett Pike
Greenville, Delaware 19807

The Group Contract is approved and its terms are accepted.

This Application is made in duplicate. One is attached to the Group Contract. The other is to be returned to Prudential.

It is agreed that this Application replaces any prior Application for the Group Contract.

-CHRISTIANA BANK & TRUST COMPANY, AS
TRUSTEE OF THE PRUVALUESM INSURANCE
TRUST NO. 3-

(Full or Corporate Name of Applicant)

Dated at _____

By _____
(Signature and Title)

On _____

Witness _____
(To be signed by a Resident Agent
where required by law)

ASSIGNMENT

Christiana Bank & Trust Company, a Delaware corporation with a place of business in Greenville, Delaware, does hereby assign, transfer and set over to First Union Trust Company, National Association, a Delaware corporation with a place of business in Wilmington, Delaware, as Trustee of the PruValueSM Insurance Trust No. 3 pursuant to the Agreement and Declaration of Trust effective on and after September 30, 1999, Group Insurance Contract No. PVIB-03 issued by The Prudential Insurance Company of America, all rights and obligations of Christiana Bank & Trust Company thereunder, including, but not limited to the right to hold and administer said contract.

IN WITNESS THEREOF, Christiana Bank & Trust Company has caused these presents to be signed as of the _____ day of _____, 2001.

Christiana Bank & Trust Company
(Trustee)

Witness: _____

By: _____
(Signature & Title)

IN WITNESS THEREOF, First Union Trust Company, National Association, Trustee of the PruValueSM Insurance Trust No. 3, has caused these presents to be signed as of the _____ day of _____, 2001.

First Union Trust Company, National
Association
(Successor Trustee)

Witness: _____

By: _____
(Signature & Title)

IN WITNESS THEREOF, The Prudential Insurance Company of America has caused these presents to be signed as of the _____ day of _____, 2001.

The Prudential Insurance Company of America

Witness: _____

By: _____
Assistant Secretary

AMENDMENT TO GROUP CONTRACT NO. PVIB - 03

By their signatures below, the Contract Holder and Prudential agree that the Group Contract is changed as follows:

- The insurance form listed in Column I below is attached to this Amendment; it forms part of the Group Contract as of its Effective Date. The form listed in Column I replaces, as of its Effective Date, the corresponding insurance form, if any, listed in Column II.

Column I

83500 GR 5034 (PVIB - 03)
effective February 4, 2002

Column II

83500 GR 5022 (PVIB - 03)
effective April 1, 1999

- Effective May 1, 2001, the name of the Contract Holder, wherever it appears in the Group Contract, will be Trustee of the PruValueSM Insurance Trust No. 3.

Date: February 20, 2002

-TRUSTEE OF THE PRUVALUESM INSURANCE TRUST
NO. 3-
(Contract Holder)


Witness:

By: _____
(Signature and Title)

Livingston, NJ

THE PRUDENTIAL INSURANCE COMPANY
OF AMERICA

February 20, 2002

By: 
Vice President, Contracts

83500
AMD 1001

PRUR 01187

ENDTEXT

83500
AMD 1001

PRUR 01188